

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 7/12/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to Invoke First Commercial Bank Letter of Credit No. 1109 for Watercress Phase 1 Subdlvislon.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 6-29-12

RESOLUTION NO. 12-_____

WHEREAS, First Commercial Bank issued a certain letter of credit (No. 1109), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to First Commercial Bank Letter of Credit No. 1109, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 12th day of July, 2012.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 12th day of July, 2012.

Mayor of the City of
Huntsville, Alabama



Watercross Phase I -

Sidenalks

PO Box 040002
Huntsville, AL 35804
Phone 256-551-3300
www.fcb-hsv.com

S/W JT

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT

Irrevocable Standby Letter of Credit No.: 1109

Date of Amendment: 7/21/2011

Amendment No.: 2

BENEFICIARY:
CITY OF HUNTSVILLE (CLERK-TREASURER OFFICE)

CUSTOMER:
WATERCROSS PROPERTIES, INC

Madam / Sir :

Upon the request of the Customer and with your approval, on 7/21/2011,

1ST COMMERCIAL BK DIV SYNOVUS BANK as successor in interest by merger with

FIRST COMMERCIAL BANK ("Issuer") hereby amends its Irrevocable Letter of Credit No. 1109, dated 1/21/2010 ("Letter of Credit"), of which you are the Beneficiary in the following respect:

Extend expiration date from 07/21/11 to 07/21/12.

This Amendment shall be deemed a part of the Letter of Credit and should be attached thereto. If the terms of the Letter of Credit require presentation thereof to Lender, as a condition to making a draw thereunder, this Amendment also must be presented.

Except to the extent specifically amended hereby, all other terms, provisions and conditions of the Letter of Credit shall remain unchanged and in full force and effect, and the Issuer does expressly ratify and confirm Irrevocable Standby Letter of Credit No. 1109, as amended herein.

Very truly yours,

1ST COMMERCIAL BK DIV SYNOVUS BANK

Name of Issuer

By:

Name/Title:

W. Leigh Pegues
W. Leigh Pegues, Its Executive Vice President

By:

Name/Title:

0

OK
CET
8/9/11

MS
8-9-11

sa ket 8/9/11



PO Box 040002
Huntsville, AL 35804
Phone 256-551-3300
www.fcb-hsv.com

AMENDMENT TO IRREVOCABLE STANDBY LETTER OF CREDIT

5/12/11
JAT

Irrevocable Standby Letter of Credit No.: 1109

Date of Amendment: 1/20/2011

Amendment No.: 1

BENEFICIARY:

CUSTOMER:

City of Huntsville (Clerk-Treasurer Office)

Watercross Properties, Inc.

Madam / Sir:

Upon the request of the Customer and with your approval, on 1/20/2011,

1st Commercial Bk div Synovus Bank as successor in interest by merger with

First Commercial Bank ("Issuer") hereby amends its Irrevocable Letter
of Credit No. 1109, dated 1/21/2010 ("Letter of Credit"),
of which you are the Beneficiary in the following respect:

Extend expiration date from 1/21/2011 to 7/21/2011.

This Amendment shall be deemed a part of the Letter of Credit and should be attached thereto. If the terms of the Letter of Credit require presentation thereof to Lender, as a condition to making a draw thereunder, this Amendment also must be presented.

Except to the extent specifically amended hereby, all other terms, provisions and conditions of the Letter of Credit shall remain unchanged and in full force and effect, and the Issuer does expressly ratify and confirm Irrevocable Standby Letter of Credit No. 1109, as amended herein.

Very truly yours,

1st Commercial Bk div Synovus Bank
Name of Issuer

By:

Name/Title:

W. Leigh Pegues
W. Leigh Pegues, its Executive Vice President

By:

Name/Title:

PK
CSB
1/20/11

1/20/11
FAB
1/20/11
OK
KCA 1/20/11

P.O. Box 040002
Huntsville, Alabama 35804
256/551-3300

SLW

IRREVOCABLE LETTER OF CREDIT #1109



Beneficiary:
City of Huntsville
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804

Applicant:
Watercress Properties, Inc.
P. O. Box 1397
Madison, AL 35758

Bank:
First Commercial Bank
301 Washington Street
Huntsville, AL 35802

LOC No: #1109
Amount: \$16,425.00
Date of Issue: 1/21/2010
Expiration: 1/21/2011

Re: Article 5 Sidewalk Letter of Credit for
Watercress Phase 1

MS
1/22/10

OK 1/22/10

Gentlemen:

We hereby issues our Irrevocable Standby Letter of Credit in your favor for the account of Watercress Properties, Inc. effective January 21, 2010 for a sum not to exceed the aggregate of Sixteen Thousand Four Hundred Twenty Five Dollars and Zero Cents (\$16,425.00) available by you one or more of your drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to First Commercial Bank in Huntsville.

Each Draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama Stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and deliver of the documents as specified.

The letter of Credit shall be governed by the laws of the State of Alabama including but not limited to the Alabama Uniform Code, as the same may be from time to time amended.

This Letter of Credit is subject to the International Standby Practices 1998 (ISP98)

FIRST COMMERCIAL BANK OF HUNTSVILLE

W. Leigh Pegues
W. Leigh Pegues, Executive Vice President

OK
ESL
1/26/10

as used